



POSTAL SERVICE

39 CFR Part 111

Collect on Delivery (COD)--Service Features

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: The Postal Service will revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) 503.13, 507.4 and 508.1 to provide new standards for the automatic holding period for Collect on Delivery (COD) articles, expand the acceptable payment methods for COD articles, and provide current options for the redirecting of COD articles.

DATES: *Effective date:* July 28, 2013.

FOR FURTHER INFORMATION CONTACT: Grace Letto at 202-268-2282, or Suzanne Newman at 202-268-5581.

SUPPLEMENTARY INFORMATION: The Postal Service published a notice of proposed rulemaking on May 31, 2013 (78 FR 32612 - 32613) (available at www.gpo.gov), which included a 30-day comment period. Since no comments or objections to the proposed rule were received, the Postal Service will adopt the proposed changes to Collect on Delivery (COD) service features.

Summary of changes to be implemented:

The Postal Service will revise the DMM in various sections to redesign some of the features of COD service. In response to mailer's requests for the expedited return of their articles when COD shipments are unclaimed by the

addressee, this revision will modify the holding period for COD articles from the current 30-day maximum to a maximum of 10 days.

Additionally, these revisions will retire the current manual PS Form 3849-D, *Notice to Sender of Undelivered COD Mail*. The primary function served by PS Form 3849-D can be provided by USPS Package Intercept[®] service, which allows mailers the option to redirect COD articles to a new address, to a designated Post Office[™] for Hold For Pickup service, or back to the sender. Unlike PS Form 3849-D, which entails sending of a notification to the mailer by mail and requiring the mailer to then send written instructions back to the Postmaster, which may take more than 10 days to complete, Package Intercept service provides mailers with an immediate avenue to request a COD article be redirected to a new address. Since items subject to Package Intercept requests are also held for a 10-day period, this option aligns with the proposed new holding period for COD articles. However, the ability for a mailer, after mailing, to adjust the COD amount to be collected will be eliminated when the Form 3849-D is retired. The USPS[®] will continue to return COD articles to the mailer at the end of the holding period if no other applicable request is received; and to return COD articles addressed to an addressee who moved and left no forwarding address.

Additionally, payment options for COD articles will be expanded to allow money orders made payable to the mailer as an additional acceptable payment method for the addressee at the time of delivery. Payment remittance mailpieces will now include unique tracking barcodes affixed by USPS, allowing further

visibility into the COD payment process through mail processing scans captured on the remittance en route to the recipient.

As a result of these revisions, PS Form 3816, *COD form*, will be revised to reflect the changes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is amended as follows:

PART 111--[AMENDED.]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of the Mailing *Standards of the United*

States Postal Service, Domestic Mail Manual (DMM):

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

* * * * *

500 Additional Mailing Services

* * * * *

503 Extra Services

* * * * *

12.0 Collect on Delivery (COD)

* * * * *

12.2 Basic Information

12.2.1 Description

** * * [Revise the first, second and fourth sentences of 12.2.1 as follows:]*

Any mailer may use collect on delivery (COD) service to mail an article for which the mailer has not been paid and have its price and the cost of the postage collected from the addressee (or addressee's agent). The recipient has the option to pay the COD charges using either cash, or a personal check or money order made payable to the mailer. * * * If the recipient pays the amount due by check or money order payable to the mailer, the USPS forwards the check or money order to the mailer. * * *

* * * * *

[Revise the title and text of 12.2.7 as follows:]

12.2.7 Redirecting COD Article

The mailer of a COD article may use USPS Package Intercept service to redirect the COD article to a new addressee, to a designated Post Office using Hold For Pickup service (508.7), or to the sender by paying the applicable fee and as provided in 507.5.

[Delete 12.2.8, Notice to Mailer, in its entirety.]

* * * * *

507 Mailer Services

* * * * *

4.0 Address Correction Services

* * * * *

4.3 Sender Instruction

* * * * *

4.3.2 Extra Services

* * * This mail is treated as follows:

* * *

[Revise item 4.3.2c as follows:]

c. The mailer of a COD article also may use USPS Package Intercept service to redirect the COD article to a new addressee, to a designated Post Office using Hold for Pickup service (508.7.0), or to the sender by paying the applicable fee and as provided in 507.5. The USPS returns the article to the mailer at the end of the COD holding period if no other request is received. When COD articles are addressed to a person who moved and left no forwarding address, the article is returned to the mailer. The postage charge (but not registration or COD fees) for returning the mail, if any, is collected from the mailer.

* * * * *

[Revise item 4.3.2g as follows:]

g. The USPS holds undeliverable collect on delivery (COD) articles for no fewer than 3 days and no more than 10 days.

* * * * *

508 Recipient Services

1.0 Recipient Options

1.1 Basic Recipient Concerns

* * * * *

1.1.7 Priority Mail Express and Accountable Mail

The following conditions also apply to the delivery of Priority Mail Express and accountable mail (Registered Mail, Certified Mail, insured for more than \$200.00, or COD, as well as mail for which a return receipt or a return receipt for merchandise is requested or for which the sender has specified restricted delivery):

* * * * *

[Revise item 508.1.1.7f as follows:]

f. A notice is provided to the addressee for a mailpiece that cannot be delivered. If the piece is not called for or redelivery is not requested, the piece is returned to the sender after 15 days (5 days for Priority Mail Express , 10 days for COD), unless the sender specifies fewer days on the piece.

* * * * *

We will publish an amendment to 39 CFR part 111 to reflect these changes.

Stanley F. Mires,

Attorney, Legal Policy & Legislative Advice.

[FR Doc. 2013-16523 Filed 07/09/2013 at 8:45 am; Publication Date: 07/10/2013]